



“SCOOP”

ARKANSAS FARM SERVICE AGENCY - - STATE OFFICE

Date: August, 2004

Direct and Counter-Cyclical Program (DCP)

Producers can file an application to enroll in the DCP Program through September 30, 2004, for the crop year 2004, providing a \$100.00 late-file fee is paid for the farm. Applications received after that date cannot be approved. September 30, 2004, is also the deadline to file supporting documentation such as:

- CCC-502, Farm Operating Plan for Payment Eligibility Review
- AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification
- CCC-526, Payment Eligibility Adjusted Gross Income Certification

Refund of 2003 Counter-Cyclical Payments

If you received a 2003 advance counter-cyclical payment for wheat, barley, and oats, you were overpaid. There will be no final counter-cyclical payment for wheat, barley, and oats for crop year 2003 because their effective prices exceed their respective target prices. Producers were notified by KCMO on May 3, 2004, of their repayment options. For more information contact your local FSA Office.

Changes of Interest in Farming Operation

If you have bought or sold land or if you have picked up or dropped rented land from your operation, make sure you report the changes to your local office no later than September 30, 2004. Failure to timely notify FSA of changes in your farming operation may adversely impact your eligibility for USDA benefits. Update signature authorization when changes in your farming operation occur.

Husbands & Wives

A husband and wife may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the County Office from either spouse. Spouses may also sign on behalf of each other's individual interest in a partnership; however, a spouse may not sign on behalf of the other as an authorized signatory for a partnership.

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Federal Crop Insurance Program Integrity FSA, RMA, and Farm Producer Work Together for Program Integrity

The Agricultural Risk Protection Act of 2000 requires the Farm Service Agency (FSA) and the Risk Management Agency (RMA) to work together to improve program compliance and integrity of the Federal Crop Insurance Program.

- FSA will be assisting RMA and insurance providers in monitoring crop conditions throughout the growing season
- FSA will refer all suspected cases of fraud, waste, and abuse in the Federal Crop Insurance Program to RMA
- Producers may report suspected cases of fraud, waste, and abuse to their local FSA County, RMA, or the Office of Inspector General (OIG)
- FSA will assist RMA with auditing claims

Loan Deficiency Payments (LDP's) Availability for 2004 Crop Year

Loan Deficiency Payments (commonly called LDPs) are payments made to producers who, although eligible to obtain a CCC loan from the Farm Service Agency, agree to forego the loan in return for a payment. In order to be eligible for a payment, you must request an LDP while maintaining 100% beneficial interest in your commodity. In order to maintain beneficial interest, you must have title to, control of, and risk of loss of the commodity.

Other eligibility requirements which must be met for LDPs, besides beneficial interest, are as follows:

- an acreage report filed for the current year on all cropland on the farm
- an approved Form CCC-502 (Farm Operating Plan) on file
- Form AD-1026 on file (Highly Erodible Land Conservation & Wetland Conservation Certification)
- Form CCC-526 on file (Adjusted Gross Income Certification)
- shares in the risk of production
- producer must not owe a delinquent non-tax federal debt

A farm does not have to be participating in the Direct and Counter-Cyclical Program in order to be eligible for loans and LDP's. **LDP's are available on corn, cotton, grain sorghum, honey, oats, barley, rice, soybeans, wheat, peanuts, wool, mohair, unshorn pelts, sunflower seeds, pulse crops and minor oilseeds when the "CCC-determined value" falls below the loan rate.** They are also available if these commodities are harvested as other than whole grain, such as silage and hay. Contact us for more information. For cotton and rice, a national CCC-determined value is announced weekly. For most of the other commodities, the CCC-determined value is the daily market price minus the county location differential minus any differential posted with the daily market price. **When the CCC-determined value is less than the loan rate for a county, the difference between the two is the LDP rate.**

LDP OPTIONS

There are two options available in requesting an LDP:

Option 1) Form CCC-709 (Field direct to the elevator warehouse, gin or mill) used prior to harvest. The LDP rate will be based on the date of delivery or in the case of cotton, the date of ginning.

Available for producers who:

- will lose beneficial interest in the commodity at harvest when the commodity is delivered directly from the field to a processor, buyer, warehouse, wool pool, or cooperative
- want to receive LDP on commodity based on the date delivered directly from the field to a processor, buyer, warehouse, wool pool, or cooperative
- immediately feed the commodity during harvest.

Option 2) Form CCC-633 LDP; (Farm or warehouse stored) (or Form CCC-Cotton AA for cotton) used after harvest (after ginning in the case of cotton). The LDP rate will be based on date of request.

CRP Signup August 30 to September 24, 2004

USDA's Farm Service Agency will hold a Conservation Reserve Program (CRP) general signup from August 30, to September 24, 2004. Eligible cropland may be offered by producers for land that has not previously been enrolled in the CRP. CRP participants with contracts expiring on September 30, 2004, or September 30, 2005, may also submit offers during CRP signup 29

Persons interested in participating in this voluntary program must visit their local FSA offices during the signup period, August 30 through September 24. Producers may visit their local office prior to the beginning of the signup period to obtain information on land enrollment requirements, producer requirements, annual and cost-share payments, and how to enhance their opportunity for acceptance in the Program by selecting land cover practices appropriate to the site.

Note: CRP Signup 29 does not apply to participation in CRP continuous signup in which land devoted to certain conservation practices may be enrolled at any time. Further information on continuous CRP is available in the local FSA office by picking up a fact sheet "Conservation Reserve Program Continuous Signup."

Secretary Proposes Reforms to FSA County Committee Elections

Secretary Veneman is proposing reforms to FSA County Committee Elections and is seeking public comment on guidelines to increase minority participation. Some of the proposed reforms are: (1) If no valid nominations are filed, the Secretary or State Committee or County Committee may nominate up to 2 individuals to be placed on the County Committee Election Ballot. (2) individuals may nominate themselves; (3) Number of consecutive 3-year terms that a COC member may serve will be reduced to two years. (4) ballot opening and counting will be fully open to the public. These and other proposed reforms can be found on the web at: www.fsa.usda.gov. The public has until September 16, 2004, to comment on the proposed reports. All comments received by September 16, 2004 will be considered. Comments should be submitted to County Committee Election Reform Comments, Dept. of Agriculture, Room 3092-S, Mail Stop 0539, 1400 Independence Ave., SW., Washington, D.C. 20250-0539 or by email to: countyelectionguidelines@usda.gov.

Program Deadlines

CRP Signup 29	August 30 – September 24, 2004
NAP Application closing Date:	
Aquaculture, Christmas Trees, Ginseng,	
Ornamental Nursery & Turfgrass SOD	September 1, 2004
Reporting Changes in Farm Operation (such as Succession-in-Interest)	September 30, 2004
CCC-502 Farm Operating Plan	September 30, 2004
AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC)	September 30, 2004
CCC-526 Payment Eligibility Adjusted Gross Income Certification	September 30, 2004
NAP Application Closing Date; Wheat, and Oats for grain	September 30, 2004
DCP Late-Filed Signup \$100.00	September 30, 2004